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SE Eliminates Duties on U.S. Apples

Report Categories:

Agriculture in the Economy

Fresh Deciduous Fruit

Policy and Program Announcements

Trade Policy Monitoring

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Report Highlights:

On March 2, 2010, the Secretariat of Economy (SE) published the final resolution in the *Diario Oficial* (Federal Register) that eliminates the compensatory duties imposed on red and golden delicious apples imported from the United States. The decision enters into force March 3, 2010, and fully complies with the NAFTA Bilateral Panel's decision of October 15, 2009 (please see GAIN report MX9074). This final resolution can still be challenged by the domestic industry or interested parties, but this process would take a significant amount of time. There is no indication that Mexico's domestic industry will challenge the ruling, but the Binational Panel must wait 25 days for appeals. If there are no appeals, the decision will stand.

General Information:

Introduction: This report summarizes an announcement by the SE published in Mexico's *Diario Oficial* (Federal Register) on March 2, 2010, that eliminates the compensatory duties on imported red and golden delicious apples from the United States.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Resolution to comply with the Final Decision of October 15, 2009, of the Binational Panel of case MEX-USA-2006-1904-02, in charge of the revision of the final resolution of the antidumping investigation on the table apple imports of red delicious varieties and their mutations and golden delicious apples that originate from the United States of America, independently of the country of origin, with the replacement that was made in fulfillment to the dictated sentence on October 28, 2003, by the First Collegiate Court in Administrative Matters of the First Circuit, in Toca R.A.431/2003-5523, relative to the Court Injunction 1183/2002 that was promoted by Northwest Fruit Exporters and issued by the Secretariat of Economy, and published on November 2, 2006, and by which the final resolution is revoked.

Executive Summary: On March 2, 2010, the SE published an announcement in the *Diario Oficial* (Federal Register) that complies with the October 15, 2009, NAFTA Binational Panel's decision concerning the compensatory duties on U.S. imported red and golden delicious apples. The SE's final decision is that the compensatory duties imposed on U.S. red and golden delicious apple imports (HTS 0808.10.01) must be eliminated starting March 3, 2010. The SE indicated that there was not enough information from the domestic industry that demonstrates damage to the industry from 2002 to June 2005. Therefore, there was no proof of damage to the domestic industry and the duties must be eliminated.

The Binational Panel must wait 25 business days to allow the interested parties to either challenge or appeal the decision from the SE. If there are no appeals, the Binational Panel will issue an order that confirms the Final Resolution of March 2, 2010, and the decision will be permanent. Since this final resolution can still be challenged by interested parties, the Panel will publish its final decision in 90 business days in order to provide enough time to examine appeals or complaints.

Important Dates

- 1. Publication Date:** March 2, 2010
- 2. Effective Date:** March 3, 2010

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Useful Mexican Web Sites:

Mexico's equivalent of the Secretariat of Agriculture, SAGARPA, can be found at www.sagarpa.gob.mx and Mexico's equivalent of the Secretariat of the Economy can be found at www.se.gob.mx.